

## Office Memorandum • UNITED STATES GOVERNMENT

TO : Director, FBI  
 FROM : SAC, Los Angeles  
 SUBJECT: R.B.H.C. 0  
 FOUNDRY ASSOCIATES, INC.  
 NEUTRALITY ACT  
 FRAUD AGAINST THE GOVERNMENT  
 CONSPIRACY  
 Bureau File 2-875

CONFIDENTIAL

DATE: January 28, 1949

~~11-31-62~~  
 CLASS: ~~X~~  
 DATE OF REVIEW: ~~1-28-62~~

~~SPL 6/19/60~~  
 Declassified  
 Authority: 35942 By:  
 Britney Crawford Date:  
 04-08-2014

There is herewith enclosed a photostatic copy of a one page communication bearing the date December 22, 1948, which was received from the Zone Intelligence Office of the Eleventh Naval District, 626 South Spring Street, Los Angeles, California. (C)

The above is furnished for informational purposes.

*ell 7/1/54*  
 ENCLOSURE ATTACHED

AMSD  
 Enc. (1)  
 BMP:iep  
 2-86  
 cc: Newark (2-51) (Enc. 1)

ALL INFORMATION CONTAINED  
 HEREIN IS UNCLASSIFIED  
 EXCEPT WHERE SHOWN  
 OTHERWISE

EX-25

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RECORDED - 138

INDEXED - 138 31 JAN 31 1949

EX-25

CONFIDENTIAL

DATE: 1-27-2004  
 CLASSIFIED BY: 4267 US NAVY COMINT  
 DECLASSIFY ON: 15X3(1), 12-16-2036

EX-25

COPY

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CONFIDENTIAL

INFO NO.

107-43

INFO 1000

19 November 1948

Distr. Intell. Officer, 10ND - PRES.

(a) 10ND INFO-96 No. 86-48, MIC 1001-400 of 12/18. B-2

PALESTINE - POSSIBLE EXPORT OF AIRCRAFT TO:

AIRCRAFT PRODUCTION (CIVILIAN & MILITARY).

American citizens to be prosecuted by Federal Government  
for illegal conspiracy in exportation of armed planes  
to Palestine.

The following report is based on the substance of an article  
appearing in "El Mundo," Spanish language daily newspaper in San  
Juan, Puerto Rico, dated 17 November 1948.

The article, datelined 16 November 1948 at Miami, Florida,  
concerned the ongoing prosecution by Federal authorities of several  
American citizens accused of conspiracy in the transportation of arms  
and planes to Palestine via Czechoslovakia.

Among those named as the accused was Charles T. WINTERS.  
Mentioned in reference (a) as the owner of three B-17's which  
stopped over at San Juan, Puerto Rico on 11 June 1948 for purposes  
of fueling. WINTERS was charged with planning a flight of three  
B-17's from Miami, Florida to Zatec, Czechoslovakia on 11 June  
1948, and of accompanying the flight.

Also named was Ervin L. JOHNSON, mentioned in reference (a)  
as the purchaser of the three B-17's, and one C. L. JOHNSON. It  
was stated in the article that these two names were aliases  
employed by other members of the group as necessary to meet with  
their planes.

James FRANK, also mentioned in reference (a) as a co-pilot of  
one of the B-17's, testified as a government witness before a  
Federal Grand Jury, giving details of the flight and of the  
organization. It was due to his testimony that the warrants were  
issued for the arrest of the others involved.

-1-

OMI: 3ND: 11ND: 12ND: DS: ED: NOR: 12/18

DIO-10ND Mono. PHILIPPE, GUY. 111-1111. 144.0300 11/19/48.

BEANE testified that he had joined the organization in Bakersfield, California, where he had been previously employed as an instructor at the Municipal Airport. He said that after several interviews, he was accepted and was promised one hundred dollars per week while engaged in flying planes to Israel.

He stated that on 11 June 1948, he departed Miami, Florida in a B-17 and was accompanied by two other planes of the same type. That after many difficulties, including the forced landing of one of the planes at sea, they arrived at Zatec. According to BEANE's testimony, the Airfield at Zatec was staffed with 47 pilots and mechanics of all nationalities.

The names of the others accused are:

Adolph W. SCHWIMMER, alias A. Allen, of Bridgeport, Connecticut, mentioned as organizer of the SCHWIMMER AVIATION CO., of Bortenkamp, Germany.

Irwin R. SCRINDLER, charged with piloting a fourth B-17 from New Jersey to Santa Maria, Azores.

Abraham J. LEVINE and Leon GARDNER, both residents of North Hollywood, California, each charged with purchasing and piloting one B-17 from Tulsa, Oklahoma to Miami, Florida. These two planes were purchased from a Mr. Donald E. ROBERTS, President of the Universal Aviation Co., Tulsa Oklahoma.

William SOSNOW, alias Lou Gordon, alias Mr. Leonard, resident of New York.

Michael KANE, resident of California.

Leonard BURNS, resident of San Francisco, California.

Twenty-one others were mentioned in the federal proceedings as accomplices but have not been named or accused. The trial of the accused is scheduled for 21 January 1949 in the Federal District Court, Miami, Florida.

NDL1-32445C-A-1

October 1948

Serial No. 6

CONFIDENTIAL  
Mr. W. E. H., Special Agent in Charge, FBI-LA

The enclosed copy of an intelligence report from the Naval Attaché in Puerto Rico, is also forwarded for whatever bearing it may have on investigations concerning Communist activities.

Very truly yours,

*D. J. Sullivan*  
D. J. SULLIVAN  
Officer in Charge

Enclosure

ND11-322H2150-e1/fo  
Serial 03460

ZONE INTELLIGENCE OFFICE  
ELEVENTH NAVAL DISTRICT  
FIFTH FLOOR  
626 SOUTH SPRING STREET  
LOS ANGELES 13, CALIFORNIA



**CONFIDENTIAL**

22 December 1948

Mr. R. B. Hood, Special Agent in Charge,  
Federal Bureau of Investigation,  
Room 900, Security Building,  
610 South Spring Street,  
Los Angeles 13, California

Dear Mr. Hood:

The following is quoted verbatim from a confidential dispatch from the Chief of Naval Operations, dated 16 December 1948. The information is believed of possible interest to your office, in connection with investigations of procurement and recruiting activities of Nazareth. Related reports are believed in your files under "Foundry Associates".

"REF ID: A63211626 E INFO RECEIVED THAT 255 COMBAT PLANES INCLUDING CORSAIRS X SEABRASTS HELLDIVERS AND AVENGERS OF BATTALION 76 COULD BE MADE OPERABLE AND 236 AIRPLANE ENGINES SOLD BY NAVY AT BARBERS POINT OAHU HI TO ADMIRALTY TRADING COMPANY 122 SOUTH MICHIGAN AVENUE CHICAGO ILLINOIS ON 1 OCTOBER 1948 X CONTRACT CALLED FOR SHIPMENT OF THE AIRPLANES AND ENGINES TO MAINLAND ONLY AND AS SCRAP X THIS SALE CLEANS UP ALL SCRAP NAVY AIRPLANES AND ENGINES IN HAWAII X B. W. BURNS, EDWARD SIEGEL AND J. P. PURDY REPRESENTED ADMIRALTY TRADING COMPANY X REPORTS THAT HIS BROTHERS INC WOOLFORTH BUILDING NEW YORK WERE INTERESTED IN PURCHASING SUCCESSFUL BIDDER X CIGAR COMPANY 7901 SANTA MONICA BOULEVARD LOS ANGELES ALSO REQUESTED NAME SUCCESSFUL BIDDER X INDIVIDUALS AND FIRMS HAVE NOT BEEN IDENTIFIED IN THE FILES OF CNO".

Also quoted verbatim below is reference cited in above dispatch. Reference was dated 12 November 1948:

"INFORMATION RECEIVED FROM AIRFORCE THAT ONE E. BERMACHE OR BERMACHE IS PRESENTLY IN PANAMA CITY WHERE HE IS REPRESENTING HIMSELF AS COLONEL OF ISRAELI FORCES X REPORTedly BERMACHE IS ATTEMPTING TO OBTAIN INFORMATION ON PURCHASE OF AIRPLANE ENGINES ESPECIALLY ENGINES FOR P51 FIGHTERS X HE HAS ALSO MADE INQUIRIES ON ROUTE TO GET 40 SURPLUS NAVY HELLDIVERS OUT OF HONOLULU INTO PALESTINE WITHOUT STOPPING TO GET FULL IN ANY US TERRITORY OR POSSESSION X REPORTedly HE HAS APPROACHED AVIATORS IN PANAMA AREA FOR PALESTINE MAINTAINING PROGRAM X ALLEGEDLY BERMACHE HAS STATED HE IS CONNECTED WITH U.S.A. (SERVICE AIRPLANE) AND IS ASSOCIATED WITH THE FAITH OF DAVID'S INTRIGUES X LIVING QUARTERS X CAN DEPICT AND CAN PROVE X NO FURTHER INFORMATION ON CONCERNING BERMACHE".